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Hong Kong

Market Development Reports

Hong Kong Temporarily Suspends Poultry Imports from Delaware

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Report Highlights:

On Sunday, February 8, the Hong Kong government banned poultry imports from the State of Delaware as a result of the suspected H7 avian flu outbreak there. The preliminary guideline for pipeline shipments is that shipments are allowed if they departed the infected zone 21 days before the outbreak. The determination of the infected zone and outbreak date depends on information to be provided by USDA. Currently, the Hong Kong government is under political pressure to extend the ban of poultry imports from the entire United States.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Hong Kong [HK1] [HK] In light of a suspected case of Avian Flu in the State of Delaware, the Hong Kong government announced on February 8 the temporary suspension of processing of applications for the importation of poultry meat from Delaware as a precautionary measure to protect public health. All shipments from the State of Delaware are not allowed to get into Hong Kong pending on further details of the outbreak to be provided by USDA. The preliminary guideline for treating pipeline shipments is that Hong Kong will allow shipments that left the infected zone before 21 days prior to the outbreak. The decision is based on the incubation period of 21 days for virus H7. The determination of the infected zone and the outbreak date depends on the information provided by USDA. As such, the Hong Kong government is earnestly asking for more information regarding the strain of the virus, the date and location of the outbreak in particular.

The Hong Kong government announced on February 8 the temporary ban on poultry imports from the State of Delaware to Hong Kong with immediate effect, following a prior notification to the Agricultural Trade Office. The government does not have a concise position on pipeline shipments, i.e. shipments already on the water. An official informally revealed that the H7 virus has an incubation period of 21 days and the Hong Kong government is awaiting USDA's clarification on the date and the exact location of the outbreak so as to determine what shipments are acceptable. However, a Hong Kong importer failed to obtain an import licence on Monday February 9 for his consignment that departed the United States after January 17. According to traders, the Hong Kong government no longer is issuing any re-export licence for U.S. poultry shipments destined for China, regardless which State the shipments come from.

According to USA Poultry & Egg Export Council, at least three plants export chicken products from the State of Delaware to Hong Kong.

Currently, Hong Kong has banned poultry imports from China, South Korea, Vietnam, Japan, Taiwan, Thailand, Indonesia and Laos, as a result of the recent avian influenza outbreak in Asia. Hong Kong so far has not detected any abnormal death in birds caused by H5N1, except for one wild falcon found dead and tested positive for H5N1. (See Gain Report: HK4003)

In response to the Hong Kong government's restriction to the ban to the State of Delaware, certain Legislative Council (Legco) members criticized the Hong Kong government for having a double standard in handling the ban. They questioned why the Hong Kong government imposed a ban on poultry imports from the entire countries on the ban list mentioned above while the ban on the United States is limited to Delaware. Also, they are unhappy that the United States bans birds and poultry imports from Hong Kong even though Hong Kong does not have any avian flu outbreak. In this connection, Legco members will request Hong Kong government officials to explain their "double standard" of handling the ban policy at the Legco panel meeting on Thursday, February 12.

The Hong Kong government explained that the outbreak in Delaware is H7 virus that is different from H5N1 that is the cause of the outbreak in Thailand.

Apparently the Hong Kong government is under political pressure to extend the ban on all poultry imports from the United States. As such, it is of utmost importance that the USDA will provide detailed information on the outbreak as soon as possible so as to minimize the negative impact.

Hong Kong is the third largest export market for U.S. poultry. Given below are some poultry statistics.

Table 1: Hong Kong's Import of Poultry Meat Products in Volume, January - November,

				% share			
	MT, 2001	MT, 2002	MT, 2003	2001	2002	2003	
The World	899,989	781,773	720,673	100%	100%	100%	
United States	568,111	444,150	343,503	63%	57%	48%	
Brazil	121,035	142,168	174,038	13%	18%	24%	
China	55,496	57,747	64,014	6%	7%	9%	
Thailand	21,060	16,452	29,701	2%	2%	4%	
France	11,268	9,998	16,339	1%	1%	2%	

Table 2: Hong Kong's Import of Poultry Meat Products in Value, January - November

	Millions of US Dollars			% Share		
Country	2001	2002	2003	2001	2002	2003
The World	700	599	565	100	100	100
United States	387	307	240	55	51	42
Brazil	97	105	130	14	17	23
China	76	70	79	11	12	14
Thailand	25	20	27	4	3	5
France	16	12	17	2	2	3